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**Statement of the Connecticut Clean Energy Finance and Investment Authority  
Regarding Raised Bill No. 404**

**AN ACT CONCERNING BUILDING PERMIT FEES FOR CLASS I RENEWABLE  
ENERGY PROJECTS AND RENEWABLE ENERGY CREDITS FOR TRASH-TO-  
ENERGY FACILITIES**

The Clean Energy Finance and Investment Authority (CEFIA), appreciates the opportunity to comment on Raised Bill No. 404, AN ACT CONCERNING BUILDING PERMIT FEES FOR CLASS I RENEWABLE ENERGY PROJECTS AND RENEWABLE ENERGY CREDITS FOR TRASH-TO-ENERGY FACILITIES.

Part of this raised bill would establish a building permit fee exemption for Class I renewable energy source projects while allowing municipalities to collect payment of administrative costs incurred when processing applications for such projects.

CEFIA supports the building permit fee aspect of Raised Bill No. 404 and has no comment on the trash-to-energy renewable energy credit aspects of the bill. CEFIA would also propose that consideration be given by the Planning and Development Committee for the potential for a centralized online permitting system for residential solar photovoltaic (PV) systems that would streamline the process for cities and towns and lower the costs of clean energy to all Connecticut consumers.

CEFIA has received several competitive grants from the U.S. Department of Energy totaling over \$800,000 to assess the "soft costs" associated with residential rooftop solar PV deployment in Connecticut.<sup>1</sup> As a result of the grant, a final project report on "soft costs" was issued in October of 2013 – of which permit fees was a major part of the research.<sup>2</sup> Permit fees, along with permitting processes, for residential solar PV vary widely across CT's 169 jurisdictions from \$0-\$1,485 for an average-sized solar PV system – see Figure 1.<sup>3</sup> Most towns are charging over and above \$200, a conservative estimate for what it costs a Connecticut jurisdiction to process a residential solar PV permit, including application review and inspection costs.<sup>4</sup> There is thus a large gap

<sup>1</sup> SunRise New England – Open for Business was the first of two CEFIA projects supported by the U.S. Department of Energy and included Yale University, the University of Connecticut, Solar Connecticut, DEEP, CL&P and UI as project partners. The second project, currently being implemented, includes the states of Massachusetts, New Hampshire, Rhode Island, and Vermont and coordinated by the Clean Energy States Alliance.

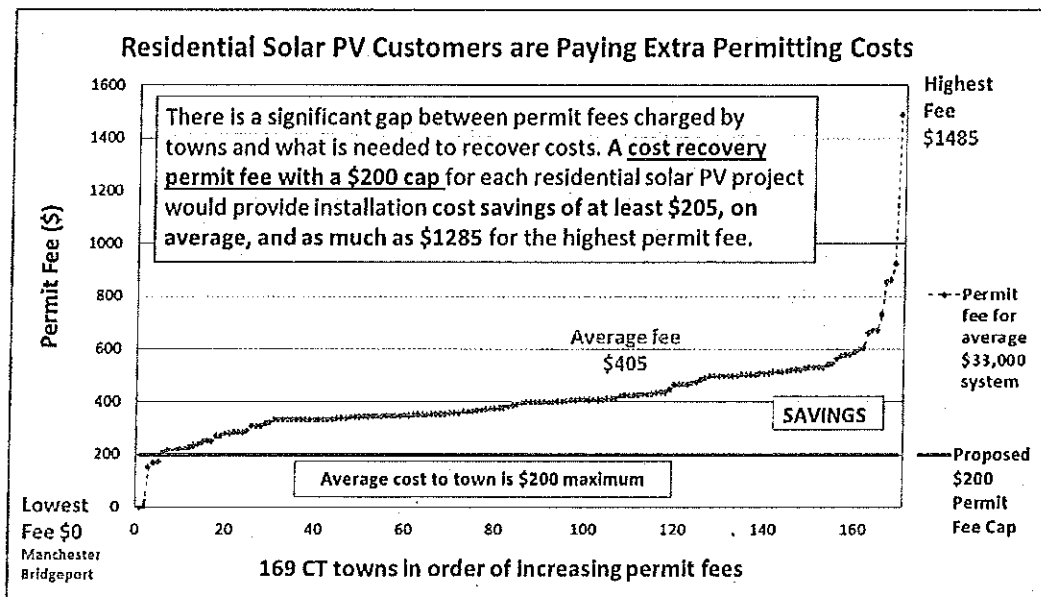
<sup>2</sup> <http://energizect.com/sites/default/files/uploads/SunShot%20Final%20Project%20Report%20optimized.pdf>

<sup>3</sup> This permit fee analysis is based on the cost of an average-sized residential solar PV system in CT in 2014 which was \$33,000, with an average permit fee of \$405, updated from the 2012 permit fees numbers in the final project report.

<sup>4</sup> The cost to a Connecticut jurisdiction of reviewing a solar PV permit application and conducting an inspection was estimated by collecting data directly from jurisdictions on the amount of time required for various aspects of the

between the permit fees jurisdictions charge and the cost of the permit process to the jurisdictions, including permit application review and inspection costs. If permit fees were based on the actual cost to the municipality, Connecticut residents could save an average of \$205 per project and as much as \$1,285 for one project in the jurisdiction with the highest permit fee.

Figure 1. Permitting Fees for Residential Rooftop Solar PV in Connecticut's Cities and Towns



Analysis of Connecticut solar PV installation data collected by CEFIA indicates that there is a negative correlation between high permit fees and the number of installations per capita in a municipality. Towns with higher permit fees are likely to have less rooftop solar PV installations per capita than those with lower, more reasonable fees.

As the nation's first green bank, CEFIA leverages the limited public resources it receives to attract multiples of private investment to scale up clean energy deployment in Connecticut. CEFIA looks forward to supporting the legislature's and Governor's vision of cleaner, cheaper and more reliable energy sources for Connecticut – while creating jobs and supporting local economic development.

We thank you again for the opportunity to provide these comments.

permit processing, then multiplying these time estimates by maximum state of CT labor rates, and adding in travel costs as well as maximum overhead charges. Based on these calculations, the cost to a jurisdiction is estimated to be \$100-150; the \$200 fee is thus a conservative estimate of the cost to a jurisdiction.